

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

1490 Bedford Avenue LLC,

Debtor.

Chapter 11

Case No. 16-41526-ess

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DEBTOR'S MOTION FOR AUTHORIZATION TO USE CASH COLLATERAL

PLEASE TAKE NOTICE that upon the annexed application of 1490 Bedford Avenue LLC, debtor and debtor and debtor-in-possession, ("Debtor"), by Rosenberg, Musso & Weiner, LLP, its attorneys, a motion will be made before Honorable Elizabeth S. Stong, United States Bankruptcy Judge, at the United States Bankruptcy Court, 271 Cadman Plaza East, Brooklyn, New York, Courtroom 3585, on June 14, 2016 at 10:30 a.m., or as soon thereafter as counsel can be heard, for an order pursuant to Section 363(c) of the Bankruptcy Code authorizing the Debtor to use the cash collateral of Bedford Partners 2010 LLC, together with such other and further relief as may be deemed just and proper in the premises.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules of the Eastern District of New York, and must be filed on or before June 7, 2016 with the Clerk of the Bankruptcy Court (with a copy to Chambers). Parties with legal representation shall file any responses or objections with the court: (a) (i) through the Bankruptcy Court's electronic filing system (in accordance with General Order M-182) which may be accessed through the internet at <https://ecf.nyeb.uscourts.gov> and (ii) in portable document format (PDF) using Adobe Exchange software for conversion, or (b) if a party is unable to file electronically, such party shall submit the response or objection in PDF format on a diskette in an envelope

with the case name, case number and title of document: or (c) if a party is unable to file electronically or use PDF format, such party shall submit the response or objection on a diskette in either Word, Word Perfect, or DOS text (ASCII) format. A response or objection filed by a party with no legal representation shall comply with section (b) or (c) as set forth above. All responses or objections shall further be served upon (i) the attorneys for the Debtors, Rosenberg, Musso & Weiner, Counsel for Debtor, 26 Court Street, Suite 2211, Brooklyn, NY 11242, (Att: Bruce Weiner, A Member of the Firm) and (ii) the Office of the United States Trustee, 201 Varick Street, Suite 1006, New York, New York 10014, so as to be actually received no later than 12:00 p.m. (EDT) on June 7, 2016.

Dated: Brooklyn, New York
May 13, 2016

Rosenberg, Musso & Weiner, LLP
Attorneys for Debtor and Debtor-in-Possession

By: /s/
Bruce Weiner
26 Court St., Suite 2211
Brooklyn, New York 11242
(718) 855-6840

TO:

Office of the U.S. Trustee

Bedford Partners 2010 LLC

All creditors and parties in interest

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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DEBTOR'S APPLICATION FOR ENTRY OF AN ORDER
FOR AUTHORIZING USE OF CASH COLLATERAL

1490 Bedford Avenue LLC ("Debtor"), as debtor and debtor in possession in the above-captioned chapter 11 case, respectfully represents:

1. The Debtor owns the real property located at 1490 Bedford Avenue, Brooklyn, New York (the "Property"). The Property consists of an eight unit residential apartment building. Bedford Partners 2010 LLC ("Partners"), holds the mortgage on the Property.
2. On April 11, 2016 ("Filing Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
3. Prior to the Filing Date, Partners commenced a foreclosure action against the Debtor in the Supreme Court of the State of New York, County of Kings. In the foreclosure action, the state court appointed a receiver to collect rent and manage the Property, but the Debtor filed this Chapter 11 case before the receiver could take control of the Property.
4. By this motion, the Debtor requests entry of an order authorizing it to use the rents from the Property to pay the expenses of the Property, including the mortgage and the real estate taxes, all of which will benefit Partners. The rents are Partners's cash collateral within the meaning of Section 363 of the Bankruptcy Code and the Debtors cannot use the rent without permission of Partners or an order of the Court. The Debtor believes that it is the best party to manage the Property. The Debtor maintains the Property and does not owe utility bills for the Property. All of the tenants are paying rent. Since the Filing Date, the Debtor has deposited all

rent received into the Debtor in Possession bank account. Annexed as Exhibit A, is a budget for the Property. The Property generate enough money to pay interest payments to Partners, real estate taxes, and all of the Debtor's expenses. The Debtor is prepared to make post-petition principal and interest payments to Partners at the amount provided for in the note. The Debtor will use current rent to make the payments.

5. In January 2015, the Debtor had the Property appraised and the appraisal shows a value as of that date of \$2.5 million. A copy of the appraisal is annexed as Exhibit B. Because of the strong real estate market, the Debtor believes the value has increased since January 2015. Partners is owed less than \$1.5 million (the Debtor believes much less) and it is adequately protected by the value of the Property and by the Debtor making adequate protection payments.

6. A proposed order is annexed as Exhibit C.

WHEREFORE, for the reasons set forth herein, the Debtor respectfully requests that the the Debtor be authorized to use Partners's cash collateral, together with such other relief as may be appropriate under the circumstances.

Dated: Brooklyn, New York
May 13, 2016

Rosenberg, Musso & Weiner, LLP
Attorneys for Debtor and Debtor in Possession

/s/

Bruce Weiner
26 Court Street, Suite 2211
Brooklyn, New York 11242
Tel. (718) 855-6840
Fax (718) 625-1966